

Services which impact the lives of many are often the subject of public scrutiny, as they well should be. However, it's also important to separate fact from fiction. And, since you, the taxpayer are helping fund this service, we think it's your **right to know the truth**!

Since its implementation in July 2006, the Rail Runner has carried 3.1 million riders over 107.2 million passenger miles, and is creating economic opportunities in the region. In addition to development around Rail Runner stations, the train **gives citizens the freedom** to live where they choose in the region, enabling access to green, safe, and affordable transportation. As a result, new and expanding businesses know they have access to a workforce that has reliable public transportation.

Here are some facts you should know:

## FACT: Implementation Costs were Consistent with Early Estimates

The Mid-Region Council of Governments and the New Mexico Department of Transportation issued a report to the Legislative Finance Committee in September of 2004. This was the first report that included cost estimates for the project. The report indicated that the initial phase of the Rail Runner between Belen and Bernalillo would likely cost \$75 million, and the extension to Santa Fe would cost about \$250 million, for a total of \$325 million. The report noted that these estimates **did not** include the cost to own or lease the track from the Burlington Northern Santa Fe (BNSF), which were unknown at the time.

The \$325 million in capital costs held true, despite very dramatic increases in fuel, concrete, steel and other material costs over the 4-year life of the construction project.

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Additionally, the State of New Mexico ended up paying \$75 million to purchase the tracks from Belen to the Colorado state line. Therefore, the total project came to approximately \$400 million.

# FACT: The Rail Runner Offers Affordable Fares & Enjoys Broad Public Support

We work hard to keep fares affordable, as residents in the four-county Rail Runner service area are already contributing. For fiscal year 2009, fares cover about 14% of the operating costs. Fees paid by BNSF and Amtrak cover another 7%. The voter-approved tax for Rail Runner operations contributes another 54%, and Federal Congestion Mitigation Air Quality funds from the New Mexico Department of Transportation cover the remaining 25%, which is approximately \$5 million per year. To put this expense in perspective, the total State of New Mexico FY10 approved budget is \$5.47 Billion; therefore, the State's contribution toward operation of the Rail Runner is .0005% of the total state budget.

However, it's also important to know that the Rail Runner operation **pays** about \$1.2 million a year in New Mexico Gross Receipts Tax. Additionally, the implementation of Rail Runner service eliminated the need for the bus service the State was providing between Albuquerque and Santa Fe. This bus service was

costing the State \$1.3 million a year. Therefore, the

net contribution the Rail Runner makes to the State of New Mexico is about \$2.5 million a year

Public transportation is sometimes criticized for receiving a "subsidy". But consider this: how many other government programs can claim that the vast majority of the revenues required to cover operating costs come from a direct voter-approved tax and user fees? In addition, a 2006 Albuquerque Journal voter poll noted a project cost of at least \$393 million and 59% of the respondents **statewide** indicated they thought the project was a good idea. How many other regional projects could garner this much support on a statewide level? Also, in the four counties in which the Rail Runner provides service, **70% of the respondents** 

said they supported the oject

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## FACT: New Mexico Demonstrated Foresight in Implementing Rail NOW

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Voters in Denver, Phoenix, and Salt Lake City also supported tax initiatives for rail. However, because these cities waited too long, **their price tags are much higher**. Nevertheless, these citizens still thought it important to support rail transportation.

Salt Lake City is half-way done with a 100 mile commuter rail system, which is very similar to the Rail Runner. The Salt Lake City project cost = **\$1.6 billion**. In 2004, the citizens of the greater Denver area voted to increase their sales tax by one-half percent to build 120 miles of rail. Denver project cost = **\$4.3** 

#### billion

And Phoenix just opened their 19 mile long light rail system which was also funded via a voter approved one-half percent sales tax in 2004. Phoenix project cost =

#### \$1.6 billion

The voters in New Mexico's central four-county region passed a **one-eighth** percent gross receipts tax to fund Rail Runner operations and expanded bus services. That's 12 cents on a \$100 purchase. Thanks to the voters, New Mexico is not waiting around until roadway congestion is unbearable and quality of life degraded. Instead, voters had the foresight to plan early and accordingly for future anticipated roadway congestion, by supporting the train NOW.

# FACT: The Rail Runner is an Alternative to Future Anticipated Congestion



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The 2005 Alternatives Analysis report analyzed the cost of adding a new lane on Interstate-25 between Tramway Blvd. in Albuquerque and St. Francis Drive in Santa Fe. The cost was estimated at \$320 million at this time. (Note that the Rail Runner actually runs between **Belen** and Santa Fe, over twice this distance.)The Alternatives Analysis and other subsequent studies pointed out that the drive between Albuquerque and Santa Fe is projected to take over 2 hours in the year 2025...but I-25 isn't the only problem.

The more severe congestion problems are associated with the roadway systems in the central areas of Santa Fe and Albuquerque. Building new multilane facilities into these areas (if even feasible) would cost **hundreds of millions of additional dollars**. In addition, pushing more traffic into the core areas would exacerbate an already serious problem with parking. The future demand for travel into the core area of Santa Fe, if accommodated all in automobiles, would require an additional **67 acres** 

#### of parking

. Anyone care to build a 67 story parking garage in Downtown Santa Fe? Meanwhile, riders on the New Mexico Rail Runner Express arrive to cities like Santa Fe without the need for parking, and can walk, ride a bike or take a bus to their final destination.

Additionally, the Rail Runner already has:

- Reduced our carbon footprint by 92 million pounds of carbon dioxide (watch video: <u>Add Some Green to Your Travel</u>

- In 2009 reduced energy consumption by more than 2.26 million gallons of gasoline
- Transported 3.1 million passengers
- Taken 100 million vehicle miles off our roadways
- Carried over 65,000 cyclists with their bicycles
- Solar power at stations

# FACT: Working Families Need Affordable Solutions for Transportation

When gas prices hit almost \$4.00 a gallon, it was a wake-up call for New Mexicans. Many working families saw transportation costs skyrocket as a percentage of their household income. While public transportation services experienced dramatic increases in ridership, it also exposed the weakness in our public transportation system, namely, the scarcity of services and importance of increasing reach and accessibility through the Central NM corridor. The Rail Runner is an important part of this system as are the increasing number of bus connections.

Another consideration: New Mexico's population is rapidly aging. While many of us may marvel at the people who still drive around despite their age, there are many seniors who cannot or will not drive beyond a certain point in their lives, and their numbers are increasing.

Additionally, finding affordable housing in the central area of Albuquerque and almost anywhere in Santa Fe is challenging (if not impossible) for many of the people who work in these communities. Even in these hard economic times there are ambitious plans and ongoing activities associated with new development around Rail Runner stations. In addition to the Rail Runner, expanded bus service and the associated economic and land development opportunities provide a solid frame work for a more sustainable and environmentally responsible future.

### FACT: Most of the Roadways in New Mexico are Subsidized

Critics of the Rail Runner often point to the "subsidy" and the 4500 passengers the Rail Runner carries every day as primary reasons why the system is a waste of taxpayer funds. What most people do not realize is State and Local governments spend hundreds of millions of dollars every year to maintain and re-construct low volume highways. Most of these highways carry between 1000 and 2000 cars a day and only generate 15-25% of the gas tax revenues required to keep these roads in a good state of repair. In fact most of the construction projects funded in the State \$1.6 billion GRIP program and \$1.2 billion CHAT program were spent on roadways. This is not to say that these roadways are not important. They provide a way for people to access services and good, jobs, health care and education. However, it's important to see the larger picture of how transportation dollars are spent.

### FACT: The Rail Runner is Part of Improving Public Transportation in Central New Mexico

Public transportation isn't for everyone, and is not the most feasible solution for many parts of the State. For the Albuquerque and Santa Fe Metropolitan areas it is an important part of the transportation system today, and will become increasingly important in the future as this part of the state continues to grow. Together, the two metro areas are expected to contain **1.5 million people** by 2025.

#### 60% of the jobs

in New Mexico are also located in this region. Growth is expected to severely diminish residents ability to move around by auto due to congestion on the roadway system despite the investment of billions of dollars to add lanes to the roadway system and build new roadway facilities. Investments in Rail and Bus Rapid Transit (buses that use exclusive lanes to by-pass

congestion) will be necessary to maintain some semblance of mobility in these two metro areas. The Rail Runner is the spine of this system and provides a framework for future connections.

Ready to Ride? Go to nmrailrunner.com